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SUBJECT: SPAIN MARCH ELECTIONS - PARTY PLATFORMS DEFINE NATIONAL PRIORITIES

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Classified By: Charge Hugo Llorens for reasons 1.4 (b) and (d)

1. (C) SUMMARY. With the approach of the March 9 general elections, the two main political parties, the conservative Partido Popular (PP) and the center-left Partido Socialista Obrero Espanol (PSOE) have released party platforms that define Spanish national priorities. The PP platform is a clearly delineated document that outlines its priority objectives. In contrast, the bulk of PSOE election materials center on the 2004 platform and documenting how it has fulfilled its prior campaign promises. Rather than one all-encompassing platform document, PSOE initially utilized a flexible approach that relied on a variety of position papers that could be adjusted daily as it received updated polling data. It wasn't until February 11 that PSOE released a broad platform document.

12. (C) Issues at the forefront include social welfare, economics, and security and anti-terrorism. Both of the campaigns are rolling out proposals to attract voters - child care benefits, increasing educational opportunity, tax rebates, pension increases, job creation, public health. At this time, polling suggests that the election will be very close. In terms of differentiation from the ruling party, the PP is promoting more conservative social agendas under the rubric of "defending the family". The PP is taking a hard line on security, terrorism and immigration, calling for stronger border control and no negotiation with terrorist groups. The PP is projecting a cloudy economic forecast and calling for a fiscally conservative regime, although the combined impact of the PP's proposed tax and spending plans, if fully implemented, would strain the budget. The PSOE party line is that although economic growth is slowing, the government can manage any challenges and it is essential to keep Spain on a progressive track. While the PSOE may have a greater number of supporters, historically the PP has a more loyal party base that turns out to vote on election day, so the level of voter participation will be key. Post will continue its bi-weekly elections updates examining the political landscape and projected vote outcomes. END SUMMARY.

PARTIDO POPULAR SLOGANS:

"CLEAR IDEAS" & "WITH RAJOY IT IS POSSIBLE"

13. (SBU) Quoting Presidential Candidate Mariano Rajoy, the Partido Popular platform document places front and center the phrase, "Spaniards always get it right when they can see what

is in front of them." Billboards are going up around the country that depict a photograph of an affable-looking Rajoy, who is often criticized for appearing unpersonable in public, along with the caption, "Rajoy- Clear Ideas". The PP platform is an outline of the party vision for how to bring more unity, openness and prosperity to Spain. It also calls for Spain to take a stronger, more visible role in international affairs. The PP argues that Spain had a strong international profile during the Aznar years that has been lost under the Zapatero administration. Attempting to counter stereotypes that link the PP with draconian conservatives, the mission statement of the platform calls for equality, utilizing the creative energy of liberty, invigoration of civil society, reform to bring progress and economic freedom, sustainable environmental policies and eradication of poverty and injustice. In its twelve point list of objectives, the Partido Popular places:

- * Ending Terrorism
- * Building a Spain for All
- * Improving the Quality of Democracy
- * Ensuring Spain's Security
- * Regaining Spain's International Leadership
- * Making Spain One of the 5 Most Advanced Economies of the World
- * Reaching Full Employment
- * Obtaining One of the Best Educational Systems
- * Achieving More Social Equality
- * Protecting the Environment
- * Establishing Full Integration of Immigrants
- * Increasing Social Welfare

PARTIDO SOCIALISTA OBRERO ESPANOL (PSOE) SLOGANS:
"CAUSES TO BELIEVE IN" & "WE PROMISE, WE DELIVER"

¶4. (SBU) Constantly reassessing its campaign strategy based

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on current polling, PSOE has a flexible, expansive program. In contrast with the carefully delineated "Clear Ideas" document of the PP, until February 11th, the PSOE utilized position papers scattered all through its media materials and internet site that could be adjusted each day. Rather than an extensive elections platform centerpiece, the PSOE issued a short summaries of its political program. In a broad platform document now posted on its website under the heading "Causes to Believe In", the PSOE's fundamental political objective is to continue its undertakings from the 2004 elections. It places particular emphasis on Spain's full integration to the European Union while promoting peace, unity and cohesion for Spain's diverse population. Under the slogan, "we promise, we deliver", PSOE extols a laundry list of 2004 campaign promises that it claims its leadership fulfilled. In addition, PSOE calls for:

- * Defending Spain's security and fighting terrorism
- * Renovating and revitalizing Spain's democracy while expanding citizen participation
- * Expanding Spain's role in global affairs
- * Promoting sustainable economic development in the service of the collective welfare
- * Stable employment
- * Establishing new rights and social policies
- * Promoting equality and civil rights

¶5. (SBU) The PSOE and PP political platforms are compared in the following campaign topics of interest:

HEALTH, PUBLIC WELFARE AND SOCIAL POLICY

PSOE - Some of Zapatero's campaign promises aimed at improving quality of life include 1.5 million more housing units and 5 billion euros for additional commuter train lines for Madrid. Also geared at addressing voters concerns about

social policies, Zapatero has called for the creation of congressional seats to represent the 1.5 million Spaniards living outside Spain (presently their votes are counted in the provinces where they are listed in the census). In keeping with the socialist platform, PSOE also proposes four weeks paternity leave for same sex couples. With a nod to the 21st century monarchy, Zapatero is also calling for a constitutional reform to allow a female to inherit the crown (Crown Prince Felipe's oldest child is female). A new proposal to make the morning after pill available free at Spanish health centers and hospitals will be carried out if PSOE wins the March general elections. The move, drawing criticism from conservatives and Catholic clergy, is aimed at reducing a sharp increase in abortion among teenagers, which reached around 14,000 in 2007.

PP - Under the framework of support to families, the PP calls for prolonging maternity and paternity leave, guaranteeing childcare, establishing financial incentives for private firms promote social interest activities, and coordinating school calendars with labor schedules. Rajoy has also noted his support for a constitutional reform, when the time is right, permitting a female to inherit the crown. Noting profound social change underway in Spain, as evidenced by low birth rates, increased life spans, rising immigration and new lifestyles, the PP calls for implementing policies that will reinforce public welfare. Rajoy has called for a change in the name of the "Law of Homosexual Marriages" to make clear the unions are not marriages. In interviews, Rajoy has also stated his opposition to adoption of children by homosexuals. As reported reftel (a), the Catholic Church has released statements supportive of conservative social policy that suggests open endorsement of the PP.

EDUCATION

PSOE - Reminding voters that PSOE legislated a new "organic" education law that aims to provide an open, flexible and dynamic modern education, the campaign platform calls for funding additional scholarships to expand educational opportunity, reforming university structures, improving teacher qualifications and salaries and increasing technology and English language instruction. Zapatero has promised 300,000 new day care spaces.

PP - Linking education with economic development and social welfare, the PP platform calls for investing in education that will adapt to changing technologies and allow Spaniards to participate in the global economy. The PP seeks to develop bilingual education (or trilingual education in the

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autonomous communities) and establish a national scholarship program to support study abroad. While both parties promote bilingual education, the PP has given more attention to its trilingual education plank in an effort to position itself to build political alliances with minority parties in the event of a close election. Rajoy has promised 400,000 new day care spaces.

ECONOMIC STRATEGY

PSOE - The week of January 28 PSOE announced that 400 euro rebates would be issued to workers and pensioners who pay income tax through the IRPF. The plan's initial announcement was roundly criticized by unions, economic think tanks, consumer groups, and other political parties that pointed out various flaws in the fiscal stimulus plan that PSOE claimed will boost money available for spending and help avoid recession. The PSOE campaign promises also include:
- increasing the monthly minimum wage by 200 euros;
- raising monthly pensions by 200 euros;

- reducing the inheritance tax

PP - Rajoy chose to unveil the PP economic strategy in Barcelona on January 25. Its basic principle, as declared by Manuel Pizarro, the PP number two candidate and "economic bullet" to counter the popularity of PSOE Economic Minister Pedro Solbes, is that money is best utilized in the citizen's own pockets, especially during times of uncertainty. Other vote-getting items such as cutting marginal maximum and minimum tax rates, and increasing family-based economic incentives are planks of the party platform. In a calculated move to gain support from women voters, the plan would also establish a 1000 euro deduction for female workers.

Contrasting their program from the PSOE, PP aims to return government surplus directly to contributing citizens rather than engaging in social engineering. Linked with social development, the PP platform calls for reform to bring full employment, regulatory clarity and macroeconomic stability. In numbers, the PP economic platform includes:

- establishing an income tax exemption for those making less than 16,000 euros a year;
- creating 2.2 million jobs
- reducing unemployment to 6.5 percent by the end of 2011;
- reaching 3.8 percent annual growth;
- raising the budget surplus to three percent by 2011; and
- implementing a 150 euro pension hike.

ENVIRONMENT

PSOE - President Zapatero and the PSOE platform call for closing and not replacing nuclear power plants as they reach the end of their service life. Zapatero has somewhat qualified his position by noting he is not a "fundamentalist" on nuclear power issues. The broader environmental agenda is based on promoting sustainable development, particularly in urban areas. The PSOE platform calls for increased and improved efforts to conserve scarce resources such as water. Recognizing the scourge of over-built resorts in coastal areas, the party also calls for public intervention at all levels of government to ensure environmental protection. The PSOE urges more efficient public transportation systems.

PP - Protection of the environment is listed as a social welfare issue linked with economic competitiveness. The PP sees the key to success in finding a balance between economic growth and environmental protection. It also calls for incentives for renewable energy and infrastructure development to better deliver electricity and gas.

FIGHTING TERRORISM AND PUBLIC SECURITY

PSOE - In a January 25 PSOE conference, Juan Carlos Rodriguez Ibarra, Secretary General of PSOE Extremadura, reopened discussion of the party's stance on terrorism and dialogue with ETA and called for an absolute rejection of dialogue with ETA. After hours of discussion and many interventions by the Basque PSOE Secretary General Patxi Lopez, the final language stated that there was no expectation of dialogue, and that PSOE would use all instruments in its reach to finish ETA in coordination with other democratic political forces, including the opposition parties. PSOE is working to illegalize the ANV and PCTV parties due to funding ties to ETA.

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PP - A proposal for a Parliamentary declaration that there will be no negotiations with ETA is part of the PP platform. It also calls for placing all new forms of ETA/Batasuna on international terrorist organization lists. The PP urges an initiative to multiply police and judicial cooperation at the international level. It also calls for illegalizing the ANV

and PCTV. The PP platform has detailed proposals for augmenting police, security and military forces, along with reforming the Penal Code to increase the ability of the federal government to prosecute crime.

IMMIGRATION

PSOE - The PSOE government has promoted tolerance and integration by spearheading a public relations campaign of media announcements highlighting the contributions of immigrant laborers to Spanish society. PSOE politicians have called PP proposals for an "integration contract" xenophobic and superfluous. PSOE immediately seized on the PP immigration campaign platform, described below, to paint Rajoy and his compatriots as intolerant.

PP - Taking a page from Sarkozy's book, Rajoy has made immigration a major election issue. On February 7, he called for national policies aimed at ensuring immigrants are integrated in Spain's legal system and culture, including a process to have immigrants sign an "integration contract". The official plank describes immigration as a source of economic, social and cultural richness, but that Spain has failed to implement policies that control borders or facilitate an integration model. The PP immigration proposal calls for reforming the Penal Code so that foreigners found guilty of crimes or misdemeanors can be deported. While not in the official platform, the PP has also proposed setting headscarf guidelines to ensure that they are not imposed on women in a discriminatory manner.

FOREIGN RELATIONS

PSOE - Emphasizing its focus on a new foreign policy in 2004 based on peaceful conflict resolution, preventive diplomacy, multilateralism and international law, PSOE keeps reminding voters that the party upheld its promise to remove Spanish troops from Iraq. The Spanish initiative to create a UN-based "Alliance of Civilizations" also exemplifies a core tenet of the PSOE platform. Characterizing the PP as obstructionist with regard to a European constitution, PSOE highlights that Zapatero contributed toward EU integration and has worked closely with France and Germany during his term in office. PSOE describes Zapatero's leadership as developing more equilibrium in the Spanish-U.S. bilateral relationship with interactions based on mutual respect.

PP - As part of its fundamental point that Spain needs to regain international leadership, the platform calls for creating a National Commission for External Relations, drafting a National Strategy and scheduling a general debate on foreign policy in the Congress once each year. In addition, the platform calls for using the WTO Doha Round trade negotiations to bring about a more just commercial system that respects workers rights and protects the environment and urges debt forgiveness for poor countries.

LLORENS